

The Influence of Work Environment and Culture on Employee Performance with Motivation as an Intervening Variable

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ABSTRACT

This research aims to analyze the influence of work environment, work culture, and motivation on employee performance at PT. PNM Medan Tembung. The research method employed in this study is quantitative research, with data collected through questionnaires distributed to 50 employees of PT. PNM Medan Tembung. The data were then analyzed using Smart PLS 4.0 software. The results of the analysis indicate that work culture has a significant influence on employee performance, as well as employee motivation. However, no significant relationship was found between the work environment and employee performance. Additionally, employee motivation was found to mediate the relationship between work culture and employee performance. These findings emphasize the importance of creating a positive and supportive work culture and enhancing employee motivation to improve individual and organizational performance. A supportive work environment can also influence employee motivation, making it essential for companies to create a conducive and motivating work environment. In conclusion, this research provides insights into the significance of work culture and motivation in enhancing employee performance at PT. PNM Medan Tembung. The implications of this study highlight the importance of companies paying attention to and effectively managing these factors to enhance organizational productivity and efficiency. Furthermore, this research can serve as a reference for future studies in the same field

INTRODUCTION

In today's rapidly changing and highly competitive business landscape, the performance of employees plays a pivotal role in determining an organization's success. The achievement of business objectives and goals relies heavily on the effectiveness and efficiency of the workforce. Consequently, understanding the factors that influence employee performance has become a crucial area of research for both scholars and practitioners.

Employee performance is not only influenced by individual capabilities but is also shaped by various external and internal factors within the organizational setting. Among these factors, the work environment, work culture, and motivation have been identified as significant determinants that can either positively or negatively impact employee performance.

The work environment encompasses the physical conditions and the psychological atmosphere in which employees operate. A positive work environment provides the necessary resources, tools, and support that empower employees to perform their tasks efficiently and effectively. On the other hand, a negative work environment can lead to increased stress, job dissatisfaction, and hindered performance.

Work culture, another influential factor, refers to the shared values, beliefs, and norms within an organization. A healthy work culture fosters teamwork, open communication, and a sense of belonging among employees, significantly contributing to employee satisfaction and, in turn, enhancing overall performance.

Motivation, which is the internal drive to take action and achieve goals, is also critical in determining employee performance. When employees are highly motivated, they tend to be more committed, engaged, and focused on accomplishing their tasks with diligence. Conversely, a lack of motivation can lead to procrastination, reduced effort, and diminished productivity.

THEORETICAL REVIEW

To conduct research with a quantitative approach, it is necessary to construct a theory that will be used analytically. Grand Theory, Middle Theory, and Apply Theory are the principles used in this study as follows:

- Grand Theory uses the theory written by Michael A. Hitt, R. Duane Ireland, and Robert E. Hoslission regarding strategic management.
- Middle theory uses SWOT theory.
- Apply Theory: Work Environment, Work Culture, Motivation, and Work.

According to the book *Strategic Management*, all companies have their purposes and reasons for attending. Vision and mission usually show this advantage. Each company has its aims and arguments for attending. Vision and mission usually show this advantage. A good vision statement provides information on technology, markets, customers, products or services, growth and profits, thoughts for employees, corporate and community image, and thoughts for the general public.

Employee Performance

Performance, namely the process reaction of certain tasks carried out by employees and the organization concerned in a planned manner at a specified time and place. According to, performance is defined as the level of achievement of program activities or policies in realizing organizational goals, objectives, vision, and mission, documented in the organization's strategic planning. According to, performance is behavior that appears and is shown by everyone by the work achievements obtained by employees by the behavior of people in the organization. Performance is very influential to achieve company goals. According to, performance determines the quality and quantity achieved by an employee in carrying out his responsibilities.

By considering the internal and external factors that the company will face, effective human resource management can help companies become more competitive. Every company is required to be able to adapt to changes that occur outside their company to survive in increasingly competitive competition. It depends on changes in the market, economy, technology, social and social trends.

Work Motivation

According to, every organization must have a desire to achieve goals. The success of organizational performance is influenced by the role and performance of its employees. Organizational performance is the result of the success or failure of the goals set. Because the success of human behavior determines an effort to do the job, the human factor is very important to achieve high performance. The process of motivating students so that they can overcome their obstacles to achieve organizational goals most effectively. Furthermore, motivation is the drive for various processes of human behavior to achieve certain goals. According to experts, what drives work motivation refers to someone behaving and working well in accordance with the duties and obligations that have been given to him. In addition, individual drives come from their interactions with circumstances. While motivation is the drive to meet the needs of employees so they can adapt to their work environment, motivation is a condition that drives employees to achieve their goals. In essence, according to, the purpose of providing work motivation to workers is to:

1. Change the behavior of workers in proportion to the will of the company
2. Increase enthusiasm and work aspirations
3. Promote work order
4. Increase work productivity
5. Increase awareness of obligations,
6. Increasing productivity and effectiveness
7. Increase employee loyalty to the company.

Work Environment

According to, a person's work environment is where they work and can affect how well they carry out the responsibilities assigned. According to, emphasized that the work environment consists of all the tools, materials, and the environment in which a person works, the approach he uses to work, and individual and group work arrangements. Human resources is the basis of organizational growth and progress, according to. As a result, HR is an asset that

needs to be improved quickly to achieve the best performance. According to. The environment is always changing, so only organizations that are not adapted to it can survive. Otherwise, the organization will be destroyed.

Work culture

According to, culture comes from the Latin word Colere, which means working the land, cultivating and maintaining the fields. Work culture is a philosophy and view of life as values that become habits in the life of an organization. Organizational work culture includes quality and optimal development, planning, production, and service. In simple terms, work culture is defined as a person's perspective in giving meaning to "work". Actualization of work culture, among others, can be seen in the following: 1. Understand how the meaning of work, 2. Do to work or what is made, 3. behavior for the work environment, 4. Attitude to time, 5. treatment for tools used in work, 6. Work ethic, 7. Attitude when working or getting results.

The arrangement of the ideas obtained for this research is based on theoretical results, references, and studies that have been submitted to be carried out as follows:

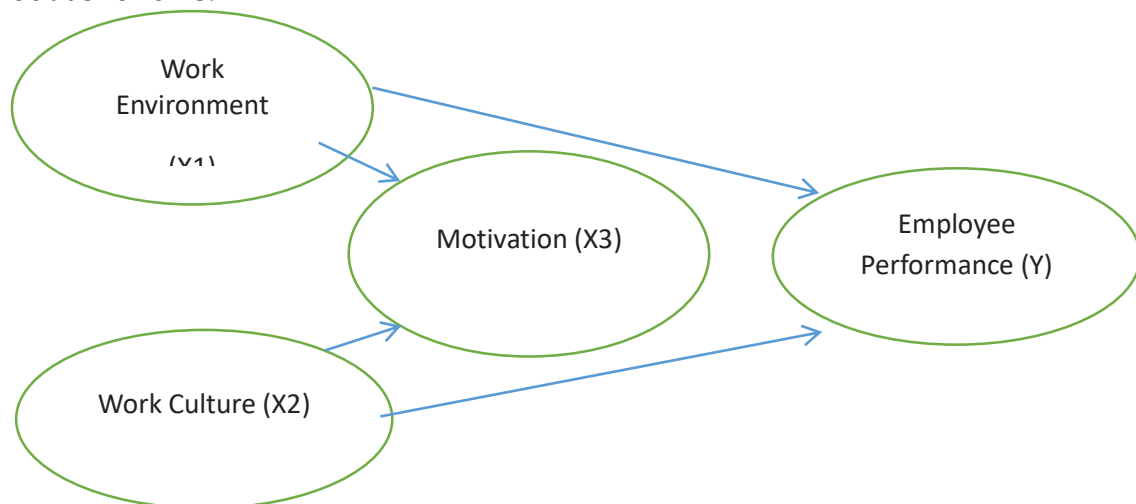


Figure 1. Framework

METHODOLOGY

According to, research objectives are scientific goals to obtain data about something objective and useful (certain variables). This research focuses on Motivation, Work Environment, and Work Culture. This research will investigate how much influence Motivation, Work Environment, and Work Culture have on the performance of PT PNM Medan Tembung Area. The subjects of this study were 40 employees of PT PNM Area Medan Tembung. Descriptive analysis is used to collect information about employees' responses to factors such as motivation, work environment, and work culture on their work performance.

After the data was tested by purposive sampling, the study was carried out through qualitative analysis. to describe the phenomenon of the study variable. Currently, all employees of PT PNM, which number 50 people, are included in the population. Library research and field research are research

designs. Questionnaires, interviews, and documentation are data collection methods. There are two types of data used: quantitative and qualitative. Field results will be analyzed descriptively from each type of data. The purpose of this research is to evaluate the effect of motivation, work environment, and work culture on employee performance. Analysis The effect of the independent variable (X) and the dependent variable (Y) was assessed by multiple linear regression. Variable X is motivation, work environment, and work culture, and Y is work culture. Calculations were performed using the SPSS Smart PLS program with linear regression calculation results.

RESULTS AND DISCUSSION

The Results and Discussion section presents the findings of the study regarding the relationship between the work environment, organizational culture, and motivation in influencing employee performance at PT. PNM Medan Tembung. Data were collected through surveys and interviews conducted with employees from various departments and hierarchical levels within the organization. The results of this research are presented below, followed by a comprehensive discussion of the implications and significance of these findings.

The study found that the majority of employees at PT. PNM Medan Tembung have a positive view of their work environment. They reported having access to modern equipment and tools, well-designed workspaces, and a safe working atmosphere. The organization has also implemented health and safety measures to ensure employee well-being. However, a small portion of respondents expressed concerns about the availability of certain resources, especially in some departments with higher workloads. Overall, the work environment received an above-average rating, indicating that it generally has a positive impact on employee performance.

Findings regarding the organizational culture show that PT. PNM Medan Tembung fosters a relatively positive workplace culture. Many employees feel that the organization encourages open communication, cooperation, and teamwork. The company also provides opportunities for skill development and career advancement, contributing to employee motivation. However, there are indications of conflicts and dissatisfaction in some departments, which slightly negatively impact employee morale. Nevertheless, the overall organizational culture is perceived as supportive and beneficially influencing employee performance.

Regarding motivation, the study revealed that employees at PT. PNM Medan Tembung have a moderate level of motivation in their roles. Many employees feel proud and accomplished in their work, serving as intrinsic motivation for their contributions to the company's mission and vision. Additionally, the majority of respondents believe that their efforts and hard work are well recognized and appreciated. However, some employees also feel that the incentive schemes could be improved, as they perceive some unfairness in the distribution of rewards. Overall, although the motivation level is relatively high, there is still room for improvement to further enhance employee performance.

This research focused on exploring the relationship between the work environment, organizational culture, and motivation in influencing employee performance. The results indicate that these factors indeed have a significant influence on each other and collectively affect employee performance. A positive work environment, characterized by adequate resources, good workspaces, and a safe atmosphere, contributes to higher levels of employee motivation and job satisfaction. When employees feel supported and valued through a conducive work environment, their intrinsic motivation is strengthened, thus enhancing their performance and productivity. Similarly, a supportive organizational culture that encourages open communication, cooperation, and employee development positively impacts employee motivation. When employees feel a sense of ownership and opportunities for growth within the organization, their motivation to perform optimally increases.

While the overall results are quite positive, this study also identified several challenges that need to be addressed to further improve employee performance. These challenges include resource availability in some departments and conflicts within the organizational culture. By addressing these issues and ensuring a fair incentive system, the organization can boost employee motivation and create a more positive work environment. The research findings have several practical implications for PT. PNM Medan Tembung and other similar companies. Firstly, the company should invest in maintaining and improving the work environment by providing the necessary resources and support for all departments to consistently impact employee performance positively. Secondly, fostering a supportive organizational culture should be a priority, focusing on promoting cooperation, open communication, and employee development opportunities. Finally, the company can optimize the incentive schemes to ensure rewards are distributed fairly and in line with employees' contributions and achievements.

The Results and Discussion section has presented the main findings of the study regarding the relationship between the work environment, organizational culture, and motivation in influencing employee performance at PT. PNM Medan Tembung. The results highlight the synergistic relationship between these factors and their collective impact on employee performance. By addressing the identified challenges and leveraging the practical implications, PT. PNM Medan Tembung can further enhance employee performance and create a more positive work environment.

CONCLUSIONS AND RECOMMENDATIONS

The influence of the work environment on employee performance is not supported. It means that in this study, no significant relationship was found between the work environment and employee performance. The influence of work culture on employee performance is accepted. It means that there is a significant relationship between a positive, supportive, and motivating work culture with employee performance. The influence of motivation on employee performance is accepted, meaning that employee motivation affects their performance in the job. The influence of the work environment on motivation is accepted. It means that

the work environment influences employees' work motivation to achieve optimal performance. The influence of work culture on motivation is accepted. It means that work culture influences employees' work motivation to achieve optimal performance. The mediating role of motivation in the relationship between the work environment and employee performance is not accepted. It means that in this study, motivation does not play a mediating role between the work environment and employee performance in the context of this research. The mediating role of motivation in the relationship between work culture and employee performance is not accepted. It means that in this study, motivation does not play a mediating role between work culture and employee performance in the context of this research.

These findings provide valuable insights into how the work environment and work culture can influence employee performance at PT PNM Area Medan Tembung. The implications of this study highlight the importance of creating a conducive work environment and positive work culture to enhance employee motivation and performance. Although motivation does not act as a mediating variable in the relationship between the work environment and work culture with employee performance, it remains a critical component that needs to be considered in efforts to improve overall organizational performance.

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